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I. EXECUTIVE SUMMARY

O'Neil Associates, Inc. was contracted by the City of Tempe to conduct a citywide survey of Tempe Cox customers. The primary purpose of this research was to measure the attitudes held by Tempe Cox customers on a range of customer service related issues. Half of the telephone interviews (300) were conducted in September 2002 and the remaining half (301) were conducted in December 2002. Interviewing was conducted during two separate time-periods in order to mitigate any effect seasonality may have on satisfaction with cable television. For the analyses presented throughout this report, the September and December samples have been combined, yielding a larger sample size and thus increasing statistical accuracy. Although the September and December samples have been combined for analysis, the appended crosstabular tables separate the responses to each question based on the month interviewing was conducted.

This executive summary is a highly succinct version of the full analysis. It provides the major research findings in general and concise form. For detail and nuance, however, we encourage readers to also turn to the main body of the report.

A. CABLE SUBSCRIPTION

Digital Perceptions

In addition to the data collected via telephone interviewing, Cox Communications provided O'Neil Associates information about service subscription for each respondent. One facet of this data, whether respondents are digital or analog subscribers, proved exceedingly interesting and relevant in nearly all analyses.

◊ ***Interestingly, although only about half of all respondents (49%) are actual 'Digital Gateway' subscribers, the proportion believing they are digital subscribers (84%) is much higher.*** This discrepancy is likely the result of Tempe being an accelerated upgrade area for Cox. In order to receive cable services above channel 22, Tempe Cox customers must have a digital converter box. After the recent upgrade, customers in Tempe are receiving digital quality television on channels above channel 22, even if the services they subscribe to are traditional, analog cable. *The recently upgraded cable quality, in conjunction with customers' relatively new 'digital converters' is the likely cause of this misperception that all services received are digital.*

B. CUSTOMER SATISFACTION

Overall Satisfaction

Cox customers are overwhelmingly satisfied with the Cox cable TV services they are receiving. High levels of satisfaction are universal; in every group analyzed, the strong majority is either 'satisfied' or ' very satisfied.' The majority of respondents (59%) say they are 'satisfied' with the overall services they receive, and over one-fourth (28%) say they are 'very satisfied' for a total of 87% who are at least satisfied with service. While high levels of satisfaction are observed in every sub-group examined, dissatisfaction is constrained to a very select demographic niche. *Among the relatively small number of dissatisfied customers, respondents who are wealthier, highly educated, married and homeowners are dissatisfied in greater proportions than are observed in other demographic sub-groups.* ***Even within these sub-groups, however, the vast majority of customers are satisfied.***

Digital and Analog Satisfaction

Digital customers are more satisfied than are traditional analog cable customers. There is an interesting relationship between the type of service respondents believe they have and their overall level of satisfaction. While the actual services received by analog subscribing respondents who incorrectly assume their cable is digital do not differ from the services received by respondents who receive and are aware that their service is analog, analog subscribers who *mistakenly perceive* their service to be digital are more satisfied than are other analog customers. Those who believe they are getting digital service are more likely to be 'very satisfied' on every measure of satisfaction than are those who realize they are not digital subscribers.

◊ ***Among those who believe their analog service is digital, the proportion of 'very satisfied' customers is significantly greater than the proportion of 'very satisfied' analog respondents who know their service is analog. This is true across <u>all</u> items examined.*** Meanwhile, among analog respondents who <u>believe</u> their service is digital, the proportion of 'very satisfied' is comparable on all items to the proportion of 'very satisfied' among digital respondents.

Satisfaction with Cox

Satisfaction with Cox cable is high along all the general dimensions we measured.

◊ As a cable service provider company, Cox has either met or exceeded the expectations held by over three-quarters (77%) of respondents. The remaining 23% felt their expectations were either not met (11%) or were almost met (12%).

◊ Seventy-two percent (72%) are satisfied with the value they receive from Cox, although this includes only 12% who are 'very satisfied.' The remaining 28% are dissatisfied. In terms of value received, satisfaction levels are comparable to those achieved by Qwest.

◊ Over one-fourth of all respondents (28%) say their opinion of Cox as a company has improved over the past year. Meanwhile, a solid majority (61%) of all respondents say their opinion of the company has stayed about the same.

◊ Respondents rated their satisfaction with eight various services provided by Cox cable, and while satisfaction levels vary, no service receives less than 85% satisfaction. The highest proportion of 'very satisfied' customers is observed regarding installation service (35%), overview of current programming (34%) and overall customer service quality (32%). Selection and variety of channels is the items with the lowest proportion of 'very satisfied' respondents (22%); this still represents over one-in-five customers.

◊ Nearly half (48%) of all respondents feel that the cable television service provided by Cox has improved while they have been customers. Only one-in-ten (10%) feel it has gotten worse.

◊ The vast majority of Tempe Cox customers (94%) say that they are either 'very likely' or 'somewhat likely' to continue their Cox cable subscription over the next six months.

◊ The majority of respondents who contacted Cox customer service (84%) are at least 'satisfied' with the quality service they received; in fact, 44% are 'very satisfied.' Sixteen percent (16%) are dissatisfied.

C. OPEN-ENDED RESPONSES

Two questions in this survey were asked in a way that permitted respondents to give their opinions unconstrained by pre-coded response categories. Respondents were asked, *"What do you like most about the cable television service you receive from Cox?"* and, *"What is the ONE thing Cox could do that would help the most to improve the cable television services you receive?"*

◊ ***Nearly half (45%) of all Tempe Cox customers give an answer relating to content when asked about their favorite aspect of Cox cable television.*** For some respondents, this refers to the overall variety of programming, while other respondents focused on a particular type of programming, such as news, music, sports, films or children's programming.

◊ ***Nearly one-quarter (23%) of respondents feel that offering a better value is the one thing Cox could do to improve cable services.*** Another one-fifth (19%) believes that improvements could be made to channel line-ups and/or program content.

D. COMPUTING

Although most Cox customers in Tempe (81%) have a personal computer in their household, just one-third (33%) of households with computers subscribe to Cox high-speed Internet service.

- ◊ ***Most Cox high-speed Internet customers (84%) are satisfied with the service.*** In fact, over half (54%) say they are 'very satisfied' with Cox high-speed Internet service. One-in-six (16%) are dissatisfied.

- ◊ A full 60% of respondents with a computer subscribe to an Internet service other than Cox.

- ◊ Given the prevalence of computers among Tempe Cox customers, it comes as no surprise that about one-third (32%) of all respondents have visited www.cox.com. The majority (83%) of cox.com visitors are at least 'satisfied' with the cable television information or services that the website provides.

II. INTRODUCTION

A. BACKGROUND

This report presents the results of a survey of customers conducted for Cox Communications to examine their customers' satisfaction with assorted services. A total of 601 telephone interviews were conducted; 300 of these interviews were conducted between September 16th and September 25, 2002, and the additional 301 interviews were conducted between December 17th and December 21, 2002. All respondents in this survey are Tempe residents in addition to being current Cox Communications customers.

Respondents for the telephone survey were selected from a list of current Cox Communications customers; Cox Communications provided the list to O'Neil Associates Inc. under a non-disclosure agreement to protect personally identifiable information from being disclosed to any person or entity other than O'Neil Associates, Inc.

For the purpose of analysis and this report, the September and December samples have been merged. The combination of the two samples doubles the overall sample size, and thus permits a range of sub-groups analyses that would be statistically meaningless with a smaller sample size. Combining the two samples permits the detailed sub-group analysis found throughout this report. It also helps mitigate any seasonal effects on customer responses. In the appended crosstabular tables, question responses by month are included.

O'Neil Associates designed our methodology with an eye toward minimizing potential sources of error. All of the interviewing was conducted in a single location under close professional supervision. All interviewers who worked on this study underwent extensive training on the proper techniques of interviewing in general, and also on the unique requirements for this study. In addition, all interviews for this study were conducted using a Computer-Aided Telephone Interviewing (CATI) system. By programming a computer to control all skip patterns; we minimize the potential for interviewer errors in this regard. CATI also controls for out-of-range answers, ensuring that all of the answers recorded are legitimate questionnaire responses.

Some questions in this survey were asked in a way that permitted respondents to give their opinions unconstrained by pre-coded response categories. The respondents' answers to these open-ended questions were recorded verbatim, then later reviewed, categorized, and coded. For the detailed steps in this transcription process, we refer you to Appendix C.

The key element of this approach to coding is that respondents' answers were not fit into any preconceived categories, but rather that codes were created to reflect the answers actually given by respondents. While somewhat laborious, only by following a multi-step process can we be certain that reported responses reflect the categories that are meaningful to respondents rather than reflecting questionnaire designers' preconceptions.

When the respondent's statement contains more than one distinct element, and he or she suggests no clear order of preference, the preferred analytical technique is to *code according to the first distinct element of the statement*. A person's first concern is, in all likelihood, also the primary concern. *Overall, in the analysis of open-ended responses, experience has shown that the most instructive approach is to interpret the response at face value. That is, the analyst should not infer underlying contexts and motivations.*

We strongly urge readers to turn to the full report of transcribed verbatim answers for the whole range of responses.

For analytical (crosstabulation) purposes, the composite categories for verbatim responses will be emphasized *most*. Throughout the analysis, however, the composite numbers will be supplemented by selected quotations to illustrate the nature and diversity of the verbatim responses given.

For purposes of understanding key terminology used in this report, it is important to be aware of the following Cox video service levels offered in Tempe:

- ***Limited Basic***: Customer receives channels 1–22 in analog format; no digital converter required

- ***Expanded Basic***: Customer receives channels on 1 – 99; channels 1 –22 are in analog format; channels 23 – 99 are in digital format; digital converter is required.

- ***Digital***: Customer can receive over 100 additional digital channels above channel 99 (not including premium movie channels and pay-per-view channels), depending on service tiers subscribed to (e.g. Movie Tier, Variety Tier, Telelatina Tier, etc.); digital converter is required.

There were very few Limited Basic customers in our sample. Throughout this report when we refer to analog customers we mean both the few Limited Basic customers and the more numerous Expanded Basic customers.

B. REPORT ORGANIZATION

This report presents a detailed analysis of survey results that includes both a discussion of overall results and trends as well as important differences between relevant subgroups of the overall population.

The remainder of the executive summary (Section I) contains discussions of our treatment of mathematical rounding and of statistical sampling error in this report, as well as our underlying philosophy behind that treatment. While those not technically trained may be inclined to skip this section, most should find it worthwhile inasmuch as it attempts to deal with a crucial, yet often misunderstood, concept in survey analysis.

The rest of the report is organized as follows:

- ***Section II***. ***Sample Characteristics.*** This section describes the basic demographics of the sample, and the sample characteristics regarding cable subscription.
- ***Section III. Customer Satisfaction***. This section analyzes customer satisfaction, both overall and regarding the specific services for which respondents subscribe from Cox.
- ***Section IV. Likelihood of Continuing Service***. This section describes the likelihood of customers continuing service with Cox.
- ***Section V. Computer Usage***. This section describes the pattern of computer usage among the sample of Cox customers and related issues.
- ***Section VI***. ***Miscellaneous Issues.*** This section describes customer satisfaction with services available at Cox's website (www.cox.com), whether customer opinions of Cox as a company have changed over the last year, perceptions of who pays for TV network programming, and awareness of Cox upgraded cable network services in Tempe.

Appendix A contains a printed copy of the questionnaire with the precise wording of each question as it was presented to respondents. In addition, the percentage distribution of responses to each question has been transcribed onto the questionnaire, providing an easy method for looking up the overall distribution of responses to any question in the context of the actual questionnaire. This provides a quick means of reviewing the study's key findings in the absence of intensive analysis.

Appendix B contains a crosstabulation table for each question in the survey. The first numerical row in each table lists the percentage of all responses in each answer category. Subsequent rows in each table present the distribution of responses to the question as given by each of several key groups. These groups are defined by several key demographic variables.

Appendix C contains verbatim transcriptions of the open-ended responses given to questions 18 and 19. These responses have been sorted according to the response categories that were created after reviewing all transcriptions (see the methodological discussion for detailed steps). While the main report (including the crosstabulations) presents the tallies of these category frequencies, we recommend a review of these *verbatim* transcriptions, as well, in order to capture the "flavor" of the actual, pre-coded responses.

C. MATHEMATICAL ROUNDING

The crosstabulations presented with this report provide the percentage response for each of a number of key groups. In each case, this percentage figure is expressed as an integer or whole number—never as a decimal number. Inasmuch as the numerical data that is obtained via survey research is nearly always associated with a "statistical margin of error" (see the discussion of this term in the following section) of one or more percentage points, to use decimal numbers in our crosstabular tables would imply a degree of precision that survey research data seldom has. Therefore, all the figures in our crosstabular tables are numbers that have been rounded to the nearest whole number.

The mathematical algorithm that produces the figures in our crosstabular tables uses honest rounding. While the percentage numbers in each row of the tables—before rounding—always adds to 100%, the same numbers after rounding may not always add to 100%, due to this rounding effect. For example, let us assume that a particular subgroup includes 300 respondents. If 100 answer a question "Yes," another 100 respond to the same question with "No" and the final 100 respond "Maybe," then there is 33.3% of the total subgroup in each response category, which, of course, adds to 100%. According to our algorithm, these percentage responses of 33.3% are rounded to the whole number, 33%, before being printed on the tables. One can see that the final printed row of rounded numbers will not add to 100%, but rather to 99%. This does not indicate that there is a "mistake" in the crosstabular table, but rather reflects the fact that we have rounded the percentage response for each category honestly.

The likely impact of this rounding is far more significant in instances with a large number of small categories rather than in instances with as few as three categories. Nevertheless, the principle employed is identical: in each instance, the numbers in the tables are rounded honestly and are not contrived so that each row of rounded percentages appears to sum to 100%. We believe strongly that this honest-rounding approach is a far more accurate means of presenting data than artificially adjusting numbers to make them sum to 100%.

D. SAMPLING ERROR

There is probably more confusion and misinformation with respect to the issue of sampling error than regarding any other technical aspect of survey research. The term "error" is something of a misnomer; sampling error has nothing to do with a mistake on the part of the researcher or anyone else. Rather it has to do with the variability in our estimates that arise from the fact that we interview a *sample* rather than an entire *population*. The sampling error, commonly referred to as the "margin of error," pertains only to the likelihood that the estimates we derive by interviewing a sample would differ by a given amount from the figures we would obtain if we were to interview the entire population, employing the identical questions. It is determined almost entirely by the *size* of the sample and not by the proportion of the population that was interviewed. As such, it tells us nothing about the adequacy and potential bias in our questions, nonresponse bias, whether respondents told us the truth, whether interviewers made administrative mistakes, or about any other potential sources of error.

Why then is sampling error so commonly cited as a measure of accuracy? Put simply, ***of all the sources of imprecision, sampling error is the only aspect of survey accuracy that is precisely quantifiable, since it is determined by the laws of mathematics.*** Many users of survey research derive a false sense of security from this supposedly precise measure of accuracy.

Nonetheless, a measure of sampling error is *one* indication of precision. Based on a sample size of 601 for this study, our sampling error—at the conventional 95% confidence level—is ±4.0% or less, depending on the responses given to each question. This means that the probability is at least 95% that our estimates are within ±4.0% of the figures we would have obtained had we interviewed every Tempe Cox customer employing the same questionnaire. Sampling errors for various sample sizes are given in the following table:

Sampling Error At 95% Confidence Interval					
Sample Size	*Margin of Error for a Given 2-way Percentage Distribution* 50/50	*60/40*	*70/30*	*80/20*	*90/10*
25	±20.0%	±19.6%	±18.3%	±16.0%	±12.0%
50	14.0	13.7	12.8	11.2	8.4
100	9.8	9.7	9.0	7.9	5.9
200	6.9	6.8	6.4	5.6	4.2
300	5.7	5.6	5.2	4.5	3.4
400	4.9	4.8	4.5	3.9	2.9
500	4.4	4.3	4.0	3.5	2.6
600	4.0	3.9	3.7	3.2	2.4

The above table illustrates that sampling error is also affected by the percentage distribution of responses obtained. For example, if a respondent is asked a question and 50% said "yes" and 50% said "no," with a sample size of 601 the sampling error is ±4.0%. But if 90% said "yes" and 10% said "no," the sampling error decreases to ±2.4%. In other words, the more unified or clustered the distribution of responses, the greater the precision of our sample-based survey estimates.

Comparing Differences. Far more important to remember is the fact that for estimates based on groups comprising less than the entire sample (for example, the responses given by Digital cable customers), the sampling error is determined by the size of the subgroup rather than the size of the overall sample. Thus, whether differences are large enough to be "significant" will depend on the size of the sample, the percentage distribution of the responses, and, if subgroups are being examined, their size as well. Since many of the comparisons we make in this report involve small subsamples, very large differences are required before statistically significant results for subgroups can be obtained.

Sampling Error for Comparing Differences Between Two Key Groups

Sample Size of the Smaller, Independent Key Group	*Difference Needed for Significance at 95% confidence level*
465 – 634	6 percentage points
345 – 464	7
270 – 344	8
220 – 269	9
185 – 219	10
155 – 184	11
130 – 154	12
110 – 129	13
95 – 109	14
85 – 94	15
76 – 84	16
68 – 75	17
61 – 67	18
55 – 60	19
50 – 54	20
25	28

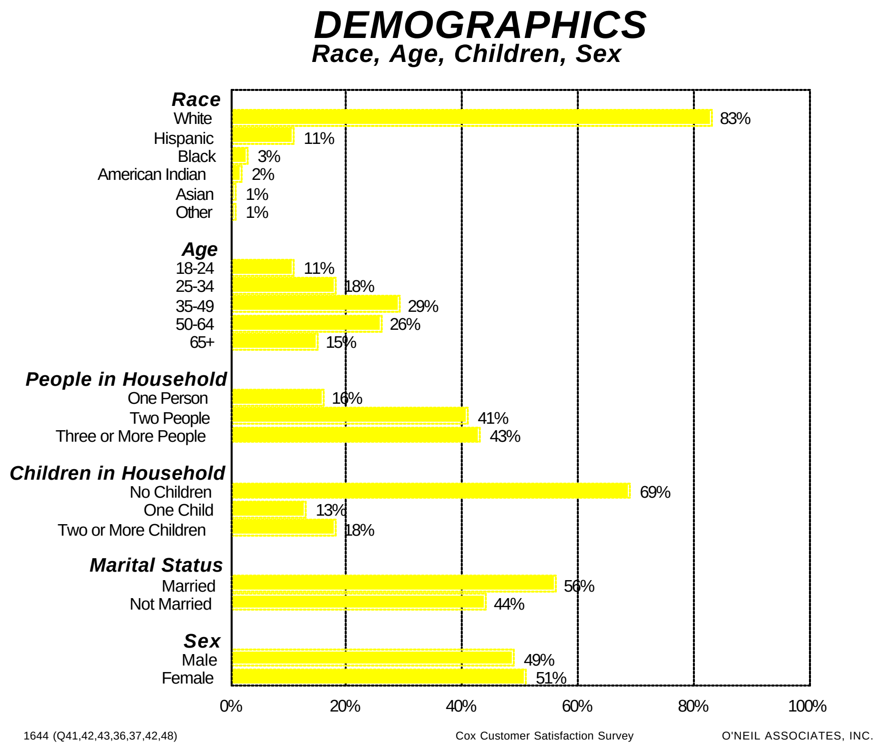
The table above is appropriate when trying to determine the "statistical significance" of the difference in responses given to the same question by two different groups—such as analog customers (n=301) and digital customers (n=297). In this case, when the responses of these two groups differ by at least 8% (dictated by the size of the smaller of the two groups: 297 digital cable customers), this difference is said to be "statistically significant." In other words, any differences we observe of less than this amount have at least a 5% chance of being the result of the fact that we interview a sample of Tempe Cox customers rather than every Cox customer in Tempe. In short, when we are comparing two subgroups, the observed differences must exceed those associated with the size of the *smaller* of these groups, rather than the size of the entire sample, if we wish to fully discount the alternative explanation of chance.

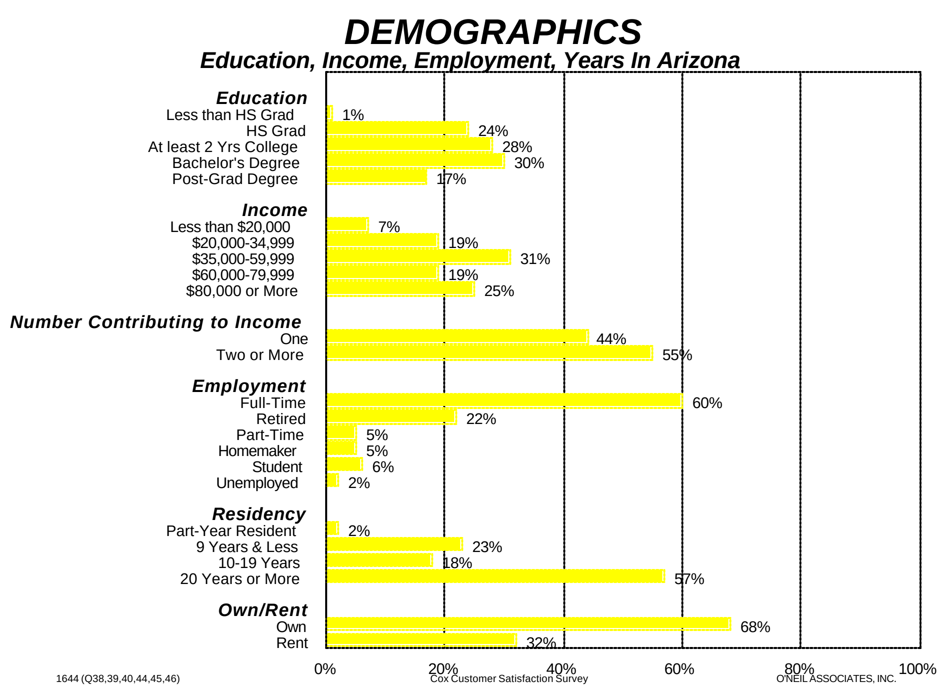
One can get carried away with excessive and inappropriate reliance on statistical significance as a sole criterion of substantive meaning. The term "statistically significant," which was adopted by statisticians long ago, was a most unfortunate designation and is the source of continuing confusion. It does *not* mean "significant" in the sense of "important" as the term is used by non-statisticians every day. If something is determined to be statistically significant, this only means that the probability that the observed differences are an artifact of chance selection has been reduced to a level predetermined to be acceptable. In social research, the convention is a 95-percent confidence level, meaning that the likelihood of chance selection is 5 percent. ***It does not, in itself, mean that the differences are substantively meaningful.*** Furthermore, even with a 95-percent confidence level, one time in twenty a difference will reach a level of "statistical significance" entirely by chance.

Perhaps most importantly, tests of statistical significance do not take into account the *patterns* observed in the data, only individual differences. ***As a result, we have made a conscious decision not to dwell on discussions about whether individual differences are or are not statistically significant, reasoning that this will only confuse the reader with substantively irrelevant detail.*** Rather, we focus our attention on the substantive patterns of responses ignoring individual statistically significant differences when they do not fit a pattern while calling attention to other patterns of responses even when, individually, some fall below the arbitrary threshold of statistical significance. We believe the result is a report that is clearer, easier to read, and more useful than one that dwells more intensely on statistical artifacts.

III. SAMPLE CHARACTERISTICS

A. BASIC DEMOGRAPHICS





The sample represents a broad cross-section of Tempe Cox customers, as presented in the demographic attribute graphs on the previous page. While diverse in areas such as age, marital status and gender, the sample is clearly skewed toward well-educated, higher income respondents and homeowners. This is likely a reflection of the actual distribution of Cox cable customers in Tempe.

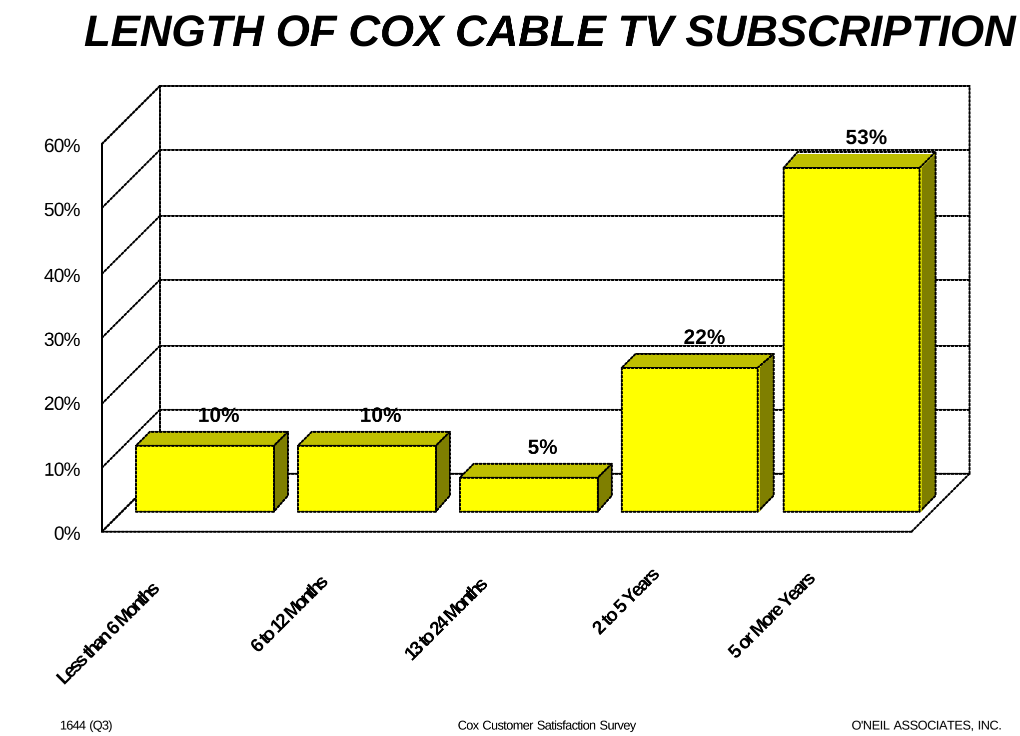
◊ ***Homeowners are more likely than are renters to subscribe to Cox cable services.*** Homeowners comprise a full two-thirds of the sample (68%). The actual proportion of homeowners in Tempe is comparable to the proportion of renters (51% homeowners vs. 49% renter*). The overrepresentation of homeowners in the sample is likely due to the fact that the sample is not one of general Tempe residents, but rather of a very particular sub-set of Tempe residents: Cox cable subscribers.

◊ ***The sample of Tempe Cox customers is further differentiated from overall Tempe residents in terms of income.*** While the median household income of Tempe residents was $42,361 in 1999, the estimated median income in our 2002 sample is significantly higher at $54,300. It is unlikely that a difference of this magnitude is solely the result of inflation between 1999 and the present.

◊ ***Tempe Cox cable subscribers are more educated than the overall Tempe population.*** While 10% of Tempe residents* over the age of 25 are not high school graduates, only 1% of our Tempe Cox cable subscribers have less than a high school education. Instead, nearly one-fourth (24%) of Tempe Cox cable subscribers are high school graduates, compared to just 18%* of Tempe's total population. The proportion of Tempe Cox cable respondents with a bachelor's degree (30%) is also greater than the proportion observed citywide in Tempe (25%*), as is the proportion with a post-graduate degree (17% Tempe Cox cable sample compared to 15%* Tempe residents.)

* Figures based on 2000 Census data for Tempe, AZ.

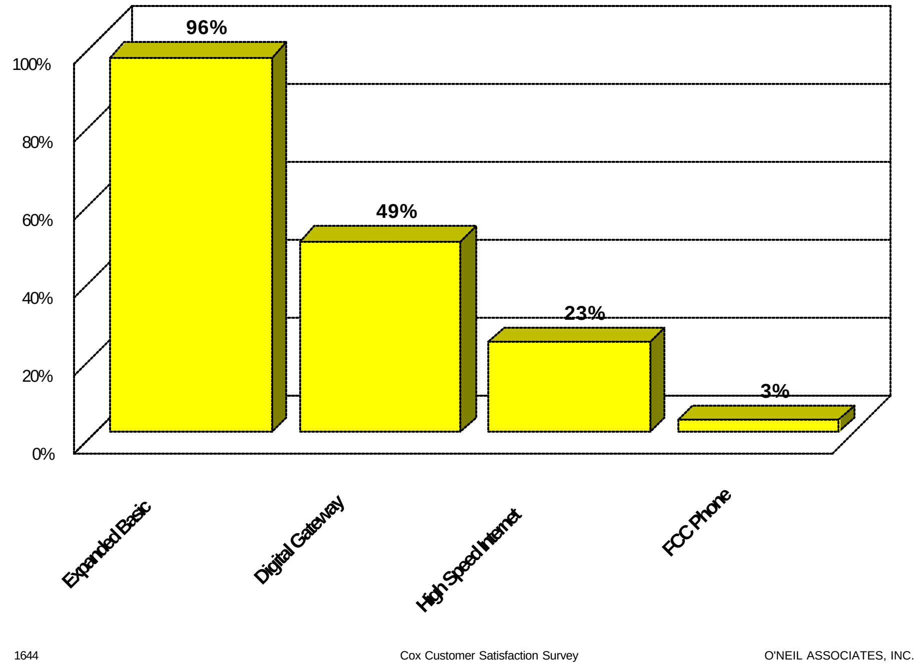
B. CABLE SUBSCRIPTION



The majority (53%) of respondents have subscribed to Cox services for five years or more.

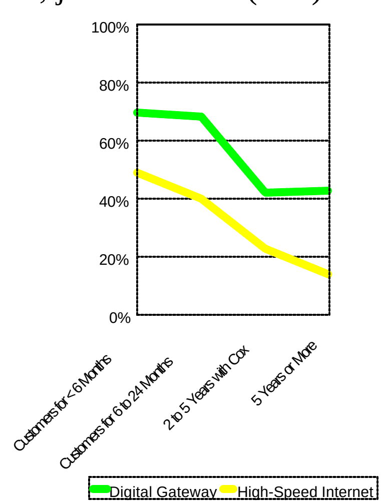
◊ ***Respondents coming from demographic sub-groups traditionally associated with stability and constancy are the most likely long-term customers.*** Specifically, two-thirds (66%) of those who have lived in Arizona for twenty years or more have been Cox customers for at least five years. Likewise, homeowners (65%) are two and half times more likely to have been Cox customers for at least five years, compared to renters (27%). Higher income respondents are more likely than respondents with lower incomes to have been Cox customers for five years or longer (60% of those with annual incomes over $60,000 compared to 47% of those with annual incomes less than $60,000).

SERVICES SUBSCRIBED TO



Cox Communications provided data on the services to which each respondent subscribes. A prerequisite for inclusion in this study was that respondents be cable customers. All respondents have, at a minimum, the 'Limited Basic' cable package, meaning that everyone interviewed receives at least channels 1 through 22. The vast majority of respondents (96%) subscribe to expanded services, known as "Expanded Basic", (channels 23-99) in addition to basic cable. Approximately half (49%) subscribe to digital cable service from Cox, while just under one-quarter (23%) receives high-speed Internet services from Cox.

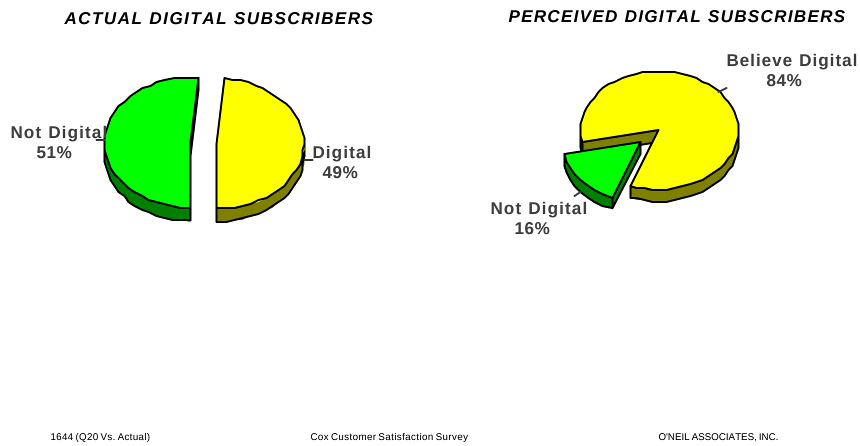
◊ ***New Cox customers are more likely than are long-term subscribers to have either Cox digital cable or Cox high-speed Internet.*** While seven in ten (70%) customers who have been with Cox for six months or less have digital cable, just four in ten (43%) customers who have been with Cox for five years or longer subscribe to this service. Similarly, about half (49%) of customers who have been with Cox for six months or less subscribe to high-speed internet services, while just 14% of long-term customers (5 years or longer) have this service.



O'NEIL ASSOCIATES, INC.

DIGITAL PERCEPTION

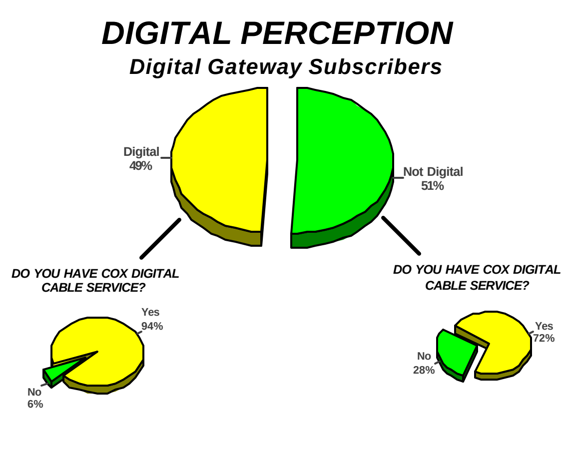
Digital Subscribers vs. Perceived Digital Subscribers



Interestingly, although only about half of all respondents (49%) are actual Digital Gateway subscribers, the proportion <u>believing</u> they are digital subscribers (84%) is much higher. This discrepancy is most likely the result of Tempe being an accelerated upgrade area for Cox. We understand that in order to receive any cable channels above 22, Tempe Cox customers must have a digital converter box. After the recent upgrade, customers in Tempe with Expanded Basic cable are receiving digital quality television on channels 23 and higher, even though they have not subscribed to digital cable. Only Limited Basic customers who receive only channels 1-22 have analog only service. The recently upgraded cable quality, in conjunction with customers' relatively new digital converter boxes, is the likely cause of this misperception that all services being received are digital.

- ◊ The charts to the right show the perceptions held by both digital and non-digital customers as to the nature of their services. Only a small proportion (6%) of digital customers do not believe they subscribe to digital cable. Twelve times as high a proportion of non-digital subscribers (72%) have a misperception regarding their service type.

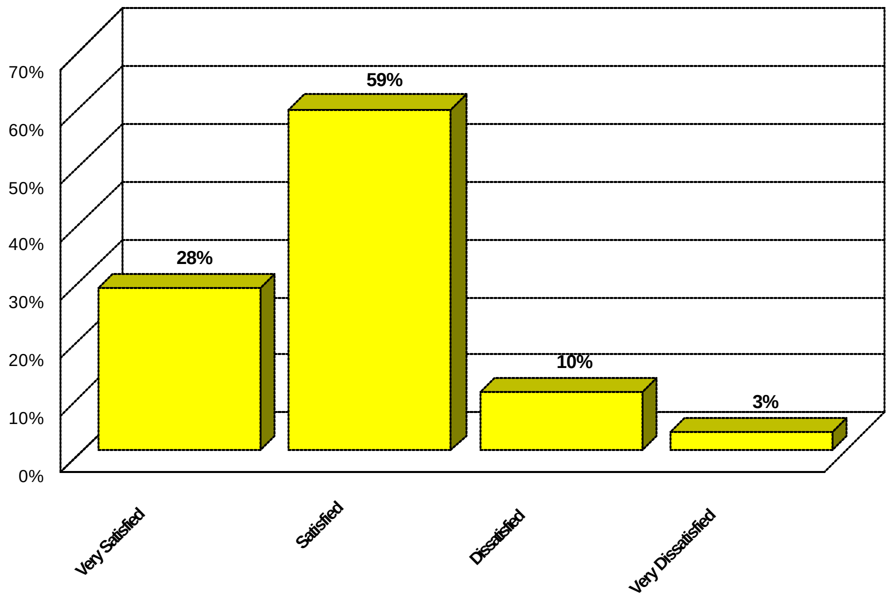
- ◊ Some of the difference can undoubtedly be explained by simple confusion. If the differences observed were solely the result of confusion, however, one would expect that both digital and non-digital customers would misreport whether or not they subscribe to digital cable in relatively equal proportions. Such is clearly not the case.



IV. CUSTOMER SATISFACTION

A. OVERALL SATISFACTION

OVERALL SATISFACTION WITH COX CABLE TELEVISION SERVICES



1644 (Q4) Cox Customer Satisfaction Survey O'NEIL ASSOCIATES, INC.

Cox customers are generally happy with the Cox cable TV services they are receiving: a strong majority (87%) say they are at least 'satisfied' overall with the services they receive, and over one-fourth of respondents (28%) say they are 'very satisfied.'

These high levels of satisfaction are universal; no one group is significantly more likely to be satisfied than any other group. While high levels of satisfaction are observed in every sub-group examined, ***dissatisfaction is constrained to a very select demographic niche***.

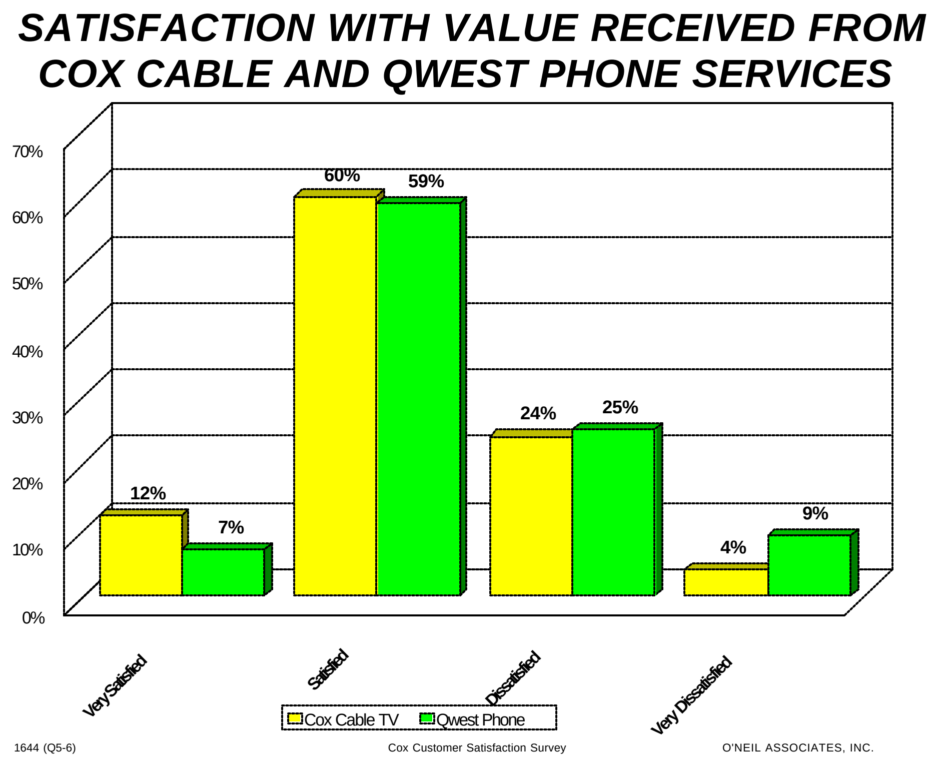
◊ ***Profile of a Dissatisfied Customer.*** Dissatisfied customers share some noteworthy demographic traits: wealthier, highly educated homeowners are among the most dissatisfied Cox customers. *Although these three demographic sub-groups are dissatisfied in greater proportions than are other groups, it is imperative to reiterate that even within these sub-groups the vast majority of customers are satisfied.*

- ***Wealthier customers are more likely to be dissatisfied with Cox services.*** About one-in-five (19%) respondents earning over $60,000 annually is dissatisfied overall with Cox cable TV services, more than twice the proportion of respondents earning less than $60,000 who are dissatisfied (8%). Despite the significantly higher levels of dissatisfaction observed among respondents earning over $60,000, eight out of ten are satisfied.

- ***Respondents with post-graduate degrees are more likely to be dissatisfied than are those with less formal education.*** Nearly one-in-five (17%) respondents holding a post-graduate degree are dissatisfied. Less-educated respondents are less likely to be dissatisfied: only 11% of college graduates, 10% of those with at least two years of college and 14% of high school graduates or less than high school graduates are dissatisfied.

- ***Homeowners are more likely to be dissatisfied than are renters.*** While fewer than one-in-ten renters (9%) are dissatisfied, 14% of those who own their home say they are either 'dissatisfied' or 'very dissatisfied' with Cox cable TV services. This may reflect the fact that some rental properties include cable services in their rental rates. Renters whose rent includes cable services may view the cable services provided as "free" since they themselves are not directly paying a cable provider. Such renters with "free" cable may be less critical than renters or homeowners who see the cost of cable services directly.

◊ ***There is an interesting relationship between the type of service respondents believe they have and their overall level of satisfaction.*** Although the proportion of 'very satisfied' digital customers (28%) is equal to the proportion of 'very satisfied' analog customers (28%), these proportions vary based on the *perception* held about service type. The proportion of 'very satisfied' respondents among those who have analog service and are aware that their service is analog (21%) is lower than the proportion of 'very satisfied' respondents among those who have digital service and are aware that their service is digital (28%). Most interestingly, the proportion of 'very satisfied' respondents who have analog service but *believe* that their service is digital (29%) is comparable to the proportion of 'very satisfied' digital customers. ***Analog customers who think they are getting digital service are more likely to be 'very satisfied' than are those who realize they are not digital subscribers. This is true even though the services received by respondents who incorrectly assume their cable is digital do not differ at all from the services received by respondents who receive and are aware that their service is analog.***



Tempe customers are generally pleased with Cox in terms of value received for money spent: almost three-fourths (72%) are either 'satisfied' or very satisfied, and about one-in-ten respondents (12%) are 'very satisfied.' Twenty-eight percent (28%) are dissatisfied or 'very dissatisfied.' Although a strong majority is satisfied, satisfaction with the value received is fully ten percentage-points lower than overall satisfaction with Cox cable TV services (82%).

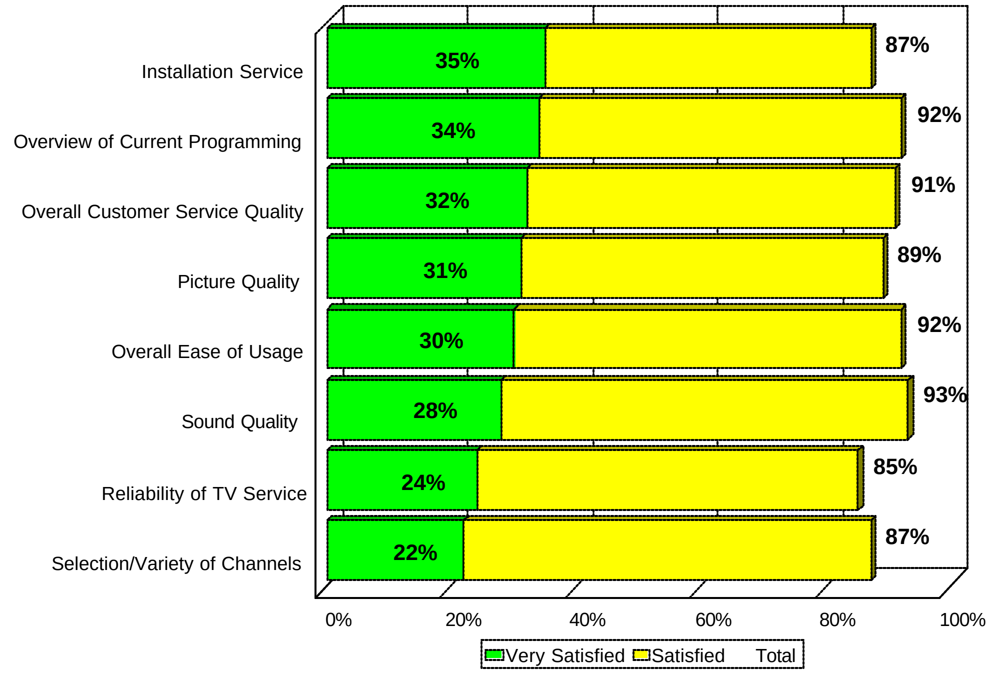
Tempe Cox respondents may be modestly more satisfied with the value they receive from Cox (72%) than with the value received from Qwest (66%). These differences are not statistically significant. Customers were asked how satisfied they are with Qwest phone services in terms of value received for money spent both to provide a comparison with a local competitor, and help identify what differences in satisfaction might be attributable to a general dissatisfaction with spending money.

◊ ***Between Cox and Qwest, the most noteworthy difference in satisfaction levels is observed in the proportion of 'very satisfied' respondents.*** While only 7% of Tempe Cox customers say they are 'very satisfied' with the value they receive from Qwest, nearly twice as many (12%) are 'very satisfied' with the value received from Cox cable services.

◊ The proportion of respondents who were unable to answer the question relating to their satisfaction with Qwest (13%) is six times more than the proportion unable to answer the item relating to Cox (2%). For the purpose of our analysis, the totals reflected in the above graphs and appended crosstabular tables exclude respondents who returned an answer of 'Don't Know.'

B. Satisfaction With Specifics of Cox

SATISFACTION WITH VARIOUS ASPECTS OF COX CABLE TELEVISION SERVICE



1644 (Q8-15) Cox Customer Satisfaction Survey O'NEIL ASSOCIATES, INC.

Respondents rated their satisfaction with various aspects of Cox cable service. ***There is one central theme across all items: a strong majority of Cox customers are at least 'satisfied' with the services that Cox provides.*** Certainly, satisfaction varies across items, but no service receives less than an 85% satisfaction level.

The most important differences in satisfaction are seen in the proportion of respondents who are 'very satisfied' with a given service, since respondents often default to a 'satisfied' answer. The highest proportion of 'very satisfied' customers is observed regarding installation service (35%), overview of current programming (34%) and overall customer service quality (32%). Selection and variety of channels is the items with the lowest proportion of 'very satisfied' respondents (22%); this still represents over one-in-five customers.

When the various sub-groups are examined, interesting demographic patterns emerge.

◊ ***Women are more likely than are men to be 'very satisfied' with each of the services provided by Cox.*** A higher proportion of 'very satisfied' women is seen across all issues examined, with differences ranging from 12 percentage points for ease of usage (women 34%, men 26%) to 4 percentage points for overall customer service quality (women 34%, men 30%). Interestingly, when we add together the proportion of 'very satisfied' and 'satisfied' respondents, this gender difference disappears. Although women are more likely to be 'very satisfied,' men are more likely be simply 'satisfied' for any given service.

◊ ***Renters are more likely to be 'very satisfied' with Cox services than are homeowners.*** Although this trend is observable on all items, there are particular issues for which it is more pronounced.

- Renters are significantly more likely to be 'very satisfied' with the services Cox provides than are homeowners in terms of ***overall ease of usage*** (39% renters vs. 26% owners), the ability to get a ***quick overview of current programming*** (42% renters vs. 30% owners), ***picture quality*** (37% renters vs. 29% owners) and ***installation service*** (41% renters vs. 33% owners).

- Renters consistently return a greater proportion of 'very satisfied' ratings than do homeowners on the remaining items. The differences are so slight, however, that they would be inconsequential were it not for the sweeping, consistent trend. Renters return 'very favorable' ratings in a slightly greater proportion than do homeowners when asked about their satisfaction with the ***reliability*** of their service (28% renters vs. 22% owners), the ***overall quality of customer service*** (35% renters vs. 31% owners), the ***selection/variety of channels*** (25% renters vs. 22% owners) and ***sound quality*** (29% renters vs. 28% owners).

◊ ***Married respondents are more likely to be dissatisfied with various Cox services than are unmarried respondents.*** Interestingly, when comparing the proportions of 'very satisfied' respondents, there is no major difference between married and unmarried respondents. In terms of dissatisfied respondents, however, the difference is prominent.

- The proportion of married respondents who are dissatisfied is more than double the proportion of dissatisfied unmarried respondents for four items: ***selection or variety of channels received*** (15% married, 7% unmarried); ability to get a ***quick overview of current programming*** (10% married, 5% unmarried); satisfaction with the ***picture quality*** of their service (13% married, 7% unmarried); and overall ***ease of usage*** (11% married dissatisfied, 4% unmarried dissatisfied). This difference narrows regarding the ***reliability*** of their cable services (17% married dissatisfied compared to 13% unmarried).

- The trend of married customers' dissatisfaction is seen for every item except ***installation services.*** On this item, unmarried respondents are slightly more dissatisfied (14%) than are married respondents (12%). This observation is most likely an anomaly, given the minute nature of this difference in conjunction with the consistent trend to the contrary.

◊ ***Respondents with post-graduate degrees are more likely to be dissatisfied with services than are respondents with less formal education.***

- While one-fifth (21%) of respondents holding a post-graduate degree are dissatisfied with the ***selection or variety of channels*** they receive, roughly one-tenth of respondents in each of the other educational categories is dissatisfied (11% college graduates, 9% some college, 11% high school or less).

- This same education trend is evident when respondents rate their satisfaction with reliability, ease of usage, picture quality, customer service quality, installation service and the ability to get a quick overview of current programming*.

- The only item that respondents holding a post-graduate degree are not significantly more likely to be dissatisfied with is ***sound quality*** (dissatisfied: 6% post-grad, 5% college grad, 8% all other categories). While the most educated respondents are not particularly *dissatisfied* with sound quality, they do hold back on accolades more than other groups. One-fifth (20%) of respondents with a post-graduate degree are 'very satisfied' with the sound quality provided by Cox, whereas greater proportions of the lesser-educated respondents say they are 'very satisfied' (27% college grads, 34% some college, 31% HS grad or less).

◊ ***Higher income respondents are not as generous with praise as are those earning less.*** Respondents with a higher income are less likely to be 'very satisfied' with each of the various services measured. Apparently, in terms of cable TV service, money does not buy happiness. Or perhaps it might be said that money makes customers more critical of service since they are less likely to blame their own high-end electronic equipment for less than optimal performance.

Respondents earning in excess of a $60,000 annual income differ significantly from those earning less. This is a clear cut-off, though satisfaction levels between income groupings do not differ for respondents earning less than $60,000 annually. While higher income respondents are more likely to be dissatisfied with each of the services, the most pronounced differences are seen in the proportion of 'very satisfied' respondents.

- In terms of the ***overall ease of usage*** of cable TV service, approximately one-quarter (23%) of respondents earning $60,000 or more are 'very satisfied.' This figure is quite respectable, however, nearly twice as many (40%) respondents earning less than $60,000 say they are 'very satisfied.'

* Refer to the appended crosstabular tables for the exact distribution of responses.

- Two-fifths (39%) of respondents earning $60,000 or less are 'very satisfied' with Cox's overall ***quality of customer service.*** Considerably fewer respondents earning $60,000 or more (27%) are 'very satisfied.'

- In terms of the ***selection and variety of channels*** received, 29% of respondents earning less than $60,000 are 'very satisfied' compared to only 17% of respondents in the higher income category.

- Even when rating the ***reliability*** of their cable TV service, lower income respondents are more enthusiastic than are wealthier cable subscribers. Twenty-nine percent (29%) of respondents earning less than $60,000 are 'very satisfied' with the reliability of Cox, compared to one-fifth (20%) of respondents earning $60,000 or more annually.

- The link between income and satisfaction is less pronounced regarding a ***quick overview of current programming***. Of those earning less than $60,000, 39% are 'very satisfied' while slightly fewer (34%) who have crossed the $60,000 income threshold are 'very satisfied.'

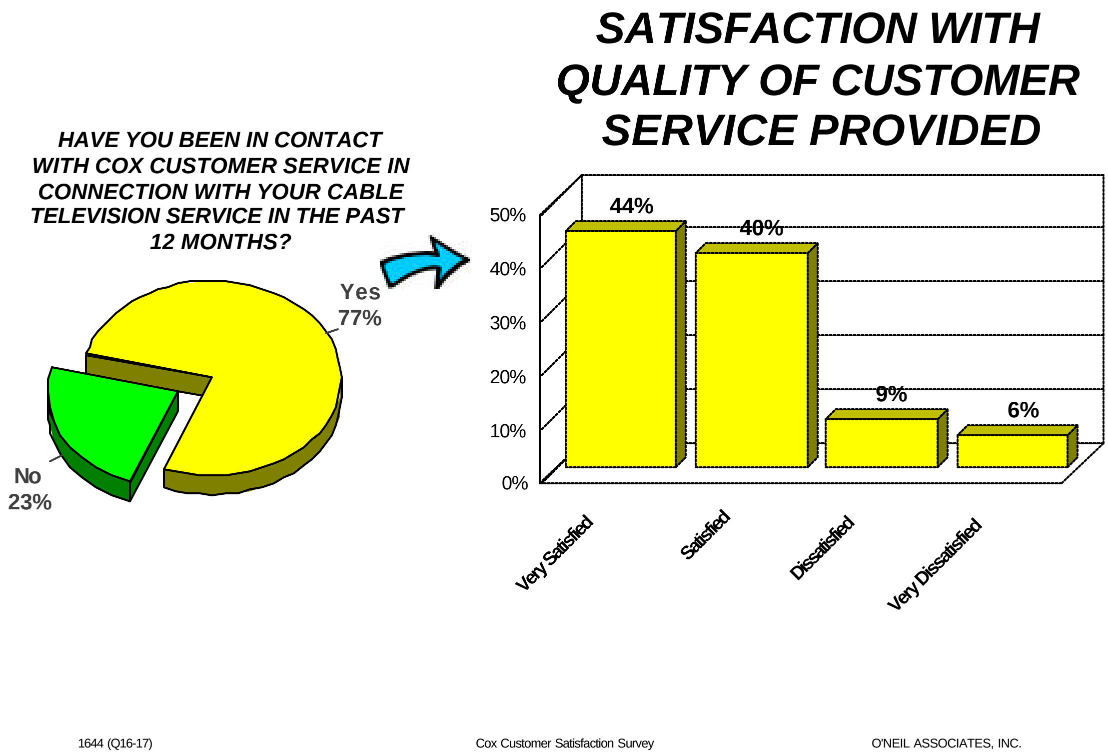
◊ Although the satisfaction levels of digital and analog customers do not differ overall, when we further segregate these groups based on the perceptions held, an interesting trend emerges: ***respondents who mistakenly believe they have digital cable are just as satisfied as those who actually do have digital cable. Those who incorrectly assume they have digital cable are more likely to be 'very satisfied' than are those who are aware that their service is analog, although the services received are the same.***

- ***The proportion of 'very satisfied' customers among those who believe their analog service is digital is significantly greater than the proportion of 'very satisfied' analog respondents who know their service is analog across all items examined.*** Meanwhile, the proportion of 'very satisfied' among analog respondents who believe their service is digital is comparable on all items to the proportion of 'very satisfied' among digital respondents.

- ***Notable differences are found with the following items when comparing 'very satisfied' responses***: installation service (26% classic* analog, 36% assumed digital, 36% digital), picture quality (14% classic analog, 32% assumed digital, 35% digital), sound quality (21% classic analog, 32% assumed digital, 27% digital), reliability of service (16% classic analog, 26% assumed digital, 24% digital), overall quality of customer service (26% classic analog, 30% assumed digital, 35% digital), selection or variety of channels (15% classic analog, 22% assumed digital, 35% digital), overall ease

* Throughout this report, we refer to analog customers who correctly believe they have analog service as "classic analog" customers to distinguish them from the "assumed digital" customers who have analog service but who believe they have digital service.

of usage (20% classic analog, 29% assumed digital, 33% digital), and the ability to get a quick overview of current programming (25% classic analog, 32% assumed digital, 38% digital).



Over three-quarters (77%) of respondents said they had been in contact with Cox customer service in connection with their cable TV services in the past year. Digital cable subscribers are more likely to have had recent customer service contact (82%) than are analog customers (73%). Apart from the difference between digital and analog customers, those who had contacted customer service do not differ demographically from those who had no such contact. All sub-groups contacted customer service in roughly equal proportions.

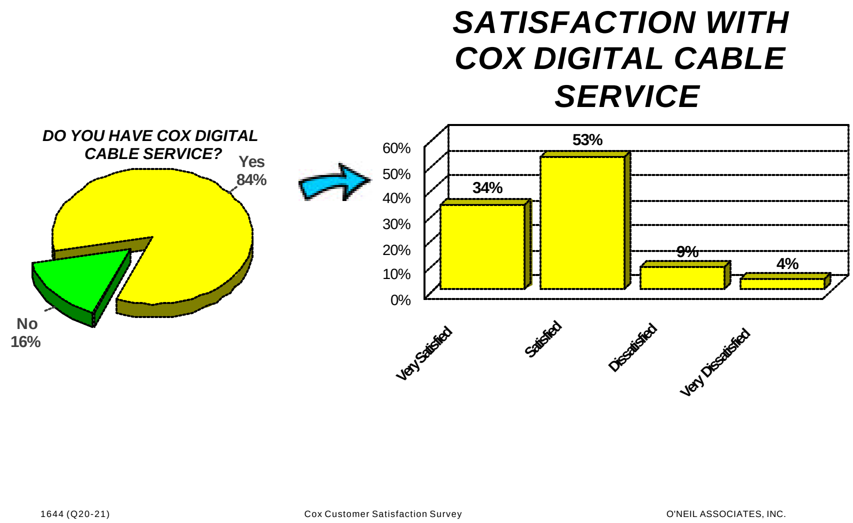
The majority of respondents who contacted Cox customer service (84%) are at least 'satisfied' with the quality service they received; in fact, 44% are 'very satisfied.' The pattern of satisfaction with within the various sub-groups is similar to what was observed on each of the other items relating to satisfaction.

◊ ***Respondents earning less than $60,000 are more satisfied than are those earning over $60,000 annually.*** Impressively, half (50%) of all respondents earning below $60,000 are 'very satisfied' with the customer service they received, while slightly fewer (40%) of those earning over $60,000 are 'very satisfied.'

◊ ***The most educated respondents are again the least satisfied.*** Over one-quarter (28%) of respondents holding a post-graduate degree are dissatisfied with the quality of customer service they received. By comparison, just 11% of college graduates, 13% of those with some college, and 16% of those with a high school education or less say they are dissatisfied with the quality of Cox customer service.

◊ ***Women are more likely than men to be 'very satisfied.'*** Almost half (49%) of female respondents who had contacted Cox customer service in the past year are 'very satisfied' with the quality of the service they received. The proportion of 'very satisfied' men (38%) is 11-percentage-points lower.

◊ ***Homeowners are more likely to be dissatisfied with the service they received than are renters.*** Only one-in-ten (10%) renters say they are either 'dissatisfied' or 'very dissatisfied' with the quality of customer service they received compared to nearly one-fifth (18%) of homeowners.



The majority (84%) of Cox customers in Tempe believe they have digital cable, regardless of age, race, gender, income, marital status or any other demographic attribute. Between those who have digital cable and those who do not, there are virtually no demographic differences

The majority of respondents with digital cable (87%) are satisfied, and over one-third (34%) are 'very satisfied.' Interestingly, those who <u>believe</u> their analog service is digital are just as satisfied with their 'digital' service as are actual digital customers; a full 87% of respondents in both groups are satisfied with their digital services. The demographic patterns of satisfaction that were observed on other satisfaction items exist here as well.

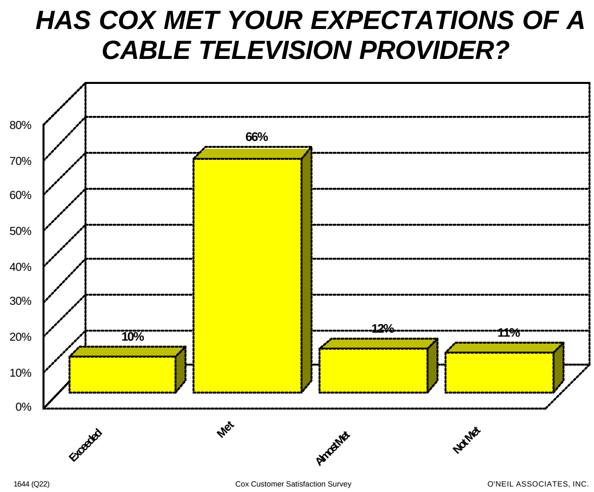
- ◊ ***Lower income respondents are more satisfied than are higher income respondents.*** Over two-fifths (42%) of those earning less than $60,000 are 'very satisfied,' compared to slightly more than a quarter (28%) of those earning over $60,000 annually.

- ◊ ***The most educated customer group is the least satisfied.*** Roughly one-fifth (21%) of respondents with a post-graduate degree are dissatisfied with the digital cable services they receive from Cox. This is nearly twice the proportion found among other education levels: 12% of those with a college degree, 8% of those with some college and 12% of those with a high school education or less are dissatisfied with Cox digital cable.

- ◊ ***Married respondents are less satisfied than are unmarried respondents.*** The proportion of married respondents (17%) that are dissatisfied with Cox digital cable service is more than twice that of unmarried respondents (7%).

- ◊ ***Women (39%) are more likely to be 'very satisfied' with their digital cable than are men (28%).***

- ◊ ***Renters are more satisfied with digital cable than are homeowners.*** While 43% of renters are 'very satisfied' with Cox digital cable, notably fewer homeowners (30%) are 'very satisfied.'



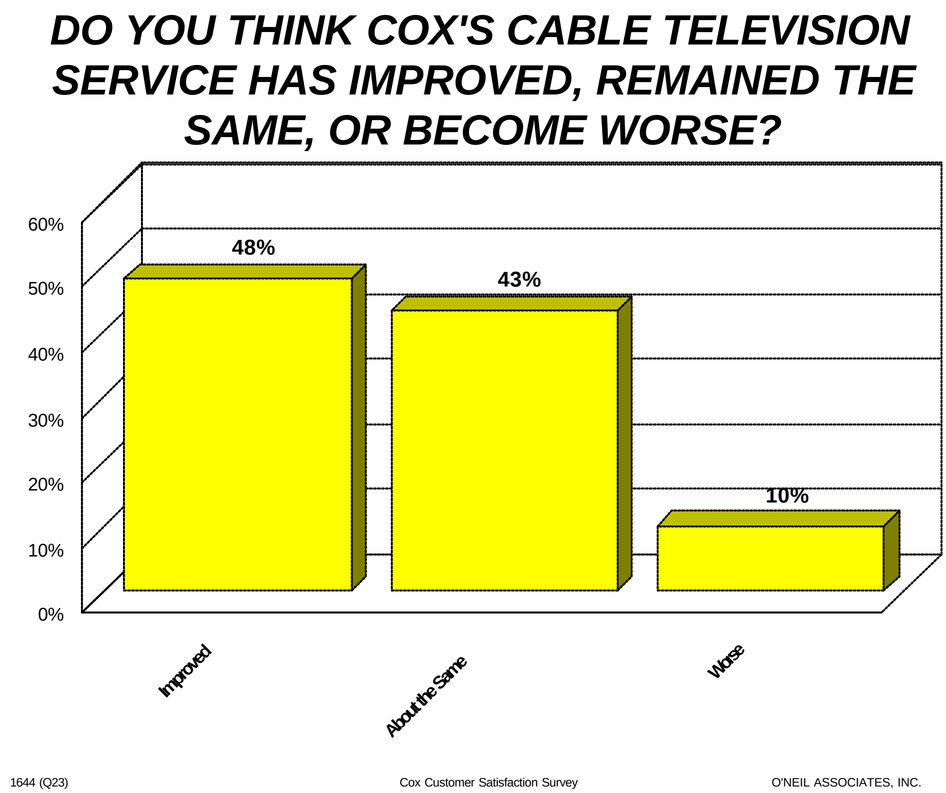
Cox has either met or exceeded the expectations held by over three-quarters (77%) of respondents. 23% of respondents said their expectations were either "almost met" or "not met". Demographically, responses to this item closely resemble other satisfaction items.

◊ ***The expectations of lower income respondents are more likely to have been met or exceeded than are the expectations of higher income respondents.*** While 15% of those earning less than $60,000 a year say Cox exceeded their expectations, roughly half this proportion (7%) of those earning more than $60,000 say Cox exceeded their expectations. Conversely, nearly three-in-ten respondents (29%) earning over $60,000 feel their expectations were either 'not met' or were 'almost met' compared to 19% of respondents earning less than $60,000 annually.

◊ ***Respondents holding a post-graduate degree are more likely to say their expectations have been unmet by Cox.*** Over one-third (34%) of respondents with a post-graduate degree say their expectations were either 'almost met' or 'not met' by Cox. The proportion of respondents with less formal education who feel Cox has not met their expectations of a cable provider is substantially lower: 26% of college graduates, 16% of those with some college and 19% of those with a High School education or less feel their expectations have been unmet by Cox.

◊ ***Renters (16%) are twice as likely to feel Cox has 'exceeded' their expectations than are homeowners (8%).***

◊ ***Digital subscribers, and those analog customers who believe they are digital subscribers, are more likely to say their expectations were 'exceeded' by Cox than are classic analog customers.*** The proportion of those who assume they are digital customers and feel Cox has 'exceeded' their expectations is double the proportion of classic analog customers who feel their expectations were 'exceeded' (10% assumed digital, 5% classic analog). The proportion of actual digital customers who say their expectations were ‘exceeded’ (12%) is comparable to the proportion of those believing they have digital service and say their expectations were exceeded (10%).



Nearly half (48%) of all respondents feel that the cable television service provided by Cox has improved while they have been customers. An additional 43% of respondents do not feel there has been a change, and just 10% of respondents feel Cox's cable service has gotten worse.

◊ ***Respondents who have digital service, and analog customers who mistakenly believe they have digital cable, are more likely than aware analog customers to believe the Cox cable service has improved since they have been customers.*** Half (50%) of all digital customers believe Cox cable service has improved. The proportion of analog respondents who mistakenly believe their service is digital and who believe Cox cable service has improved (49%) is nearly identical to actual digital customers. Just over a third (36%) of analog customers who are aware their service is analog believe that services have improved while they have been customers.

V. ANALYSIS OF OPEN-ENDED RESPONSES

Two questions in this survey were asked in a way that permitted respondents to give their opinions unconstrained by pre-coded response categories. Respondents were asked, *"What do you like most about the cable television service you receive from Cox?"* and, *"What is the ONE thing Cox could do that would help the most to improve the cable television services you receive?"* These open-ended questions were handled as follows:

1. O'Neil Associates interviewers recorded respondents' answers *verbatim*.
2. These transcribed responses were reviewed to identify recurrent themes—themes that then became the categories into which responses were to be coded.
3. All of the responses were reviewed again by a second analyst and coded into the categories that had been developed in the previous step.
4. A third analyst, who had not seen the results of the initial coding, independently coded the responses a second time by.
5. Any discrepancies between the two different codings were then reviewed by the first analyst—the senior project analyst who devised the categories in step #2—and the deciding vote was then cast, giving the response its final coding.

The key element of this approach to coding is that respondents' answers were not fit into any preconceived categories, but rather that codes were created to reflect the answers actually given by respondents. While somewhat laborious, only by following these steps can we be certain that reported responses reflect the categories that are meaningful to respondents rather than reflecting questionnaire designers' preconceptions.

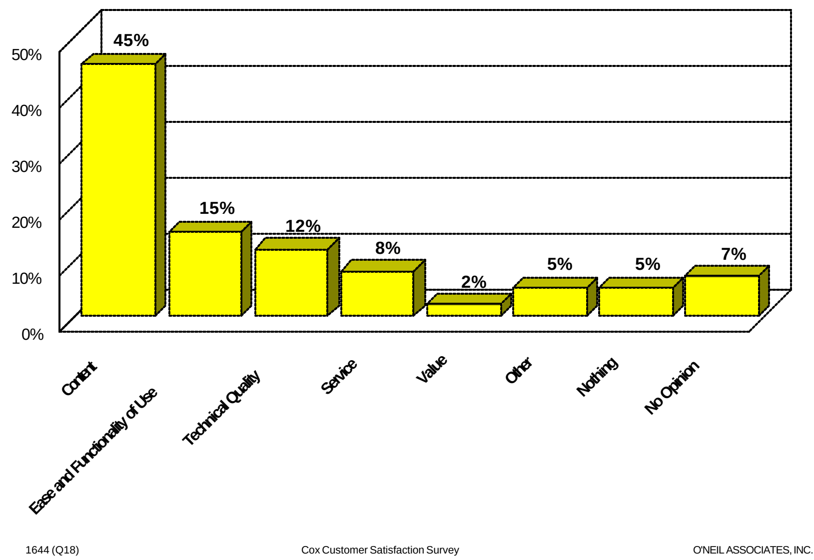
One analytical caution is appropriate at this time, as it pertains to open-ended responses in general: unless the respondent explicitly states it, there is no way to ascertain whether a greater proportion of those citing an item for improvement, in fact, couple this concern with dissatisfaction with Cox services. Nor, conversely, it is possible to determine whether or not the aspect of Cox service that a respondent cites as 'most liked' necessarily means that no improvements should or could be made to that item.

Overall in the analysis of open-ended responses, experience has shown that the most instructive approach is to interpret the response at face value, i.e. underlying contexts and motivations should not be inferred by the analyst.

When the respondent's statement contains more than one distinct element, and no clear order of preference is suggested, the preferred analytical technique is to *code according to the first distinct element of the statement.* A person's first concern is, in all likelihood, also the primary concern. Thus, if a verbatim response is "I like the picture quality and the movie channels," it will be coded as 'picture quality;' if it is "I like the movie channels and also the picture quality," it will be coded under the sub-category 'Movie Channels' within the broad category 'Content.' Again, we strongly urge readers to turn to the full report of transcribed verbatim answers for the complete range of responses.

A. MOST LIKED ASPECTS OF COX CABLE SERVICE

WHAT DO YOU LIKE MOST ABOUT THE CABLE TELEVISION SERVICE YOU RECEIVE FROM COX?



Respondents were asked, in an open-ended fashion, what they most like about the cable services they receive from Cox. The chart above presents respondents' verbatim answers grouped by topic category.

The table on the following page shows the full range of codes that were assigned to the verbatim responses. The structure is such that each group of ten codes (e.g., 10-19, 20-29, etc.) belongs in the same main, composite category. All codes ending in 0 (e.g., 10, 20, 30, etc.) are identical to the main categories; all responses codes directly under the main category were of a general or generic nature that permitted no assignment to specific subcategories. In contrast, all codes ending in 9 (e.g., 9, 19, 29, etc.) indicate responses that *were* specific but either were too infrequent or too esoteric to form separate categories.

Q18: What do you like the most about the cable television service you receive from Cox?

Percen	Code	Descriptive
45%		**CONTENT**
2	11	News
1	12	Music
20	13	Variety of content
8	14	Number of channels
2	15	Film channels
4	16	Sports channels
1	17	HBO
1	18	Children's programming
3	19	Other specific channels or content
15%		**EASE AND FUNCTIONALITY OF USAGE**
7	21	Guide channel
3	22	Selection menus
1	23	No need for dish / better than satellite
1	29	Other specific usage/navigation features
12%		**TECHNICAL QUALITY**
4	31	Picture quality
7	33	Reliability of signal
1	34	Likes digital
8%		**SERVICE**
2	41	Customer/phone service
2	42	Speed of service
2	43	Courtesy of service
1	44	Installation and repair service
*	45	Easy billing
2%		**VALUE**
1	51	Package deal w/Internet
5%		**OTHER**
2	71	Just likes having it
3	72	Likes everything, not one thing more than others
1	79	Other specific comments
5%		**NOTHING**
*	81	Likes nothing
*	82	No other service available
7%		**NO OPINION**
6	91	Don't know
1	92	No answer
*	93	Doesn't watch TV

* Figure less than 0.5%.

1. Content

Nearly half (45%) of all Tempe Cox customers give an answer relating to content when asked about their favorite aspect of Cox cable television. Examples include: *"[It's] absolutely amazing the kind of programs we can watch." "I get channels I want."*

- Many of the content related responses pertain to very specific aspects of Cox cable TV. Respondents appreciate the news channels, the music, sports, the film channels as well as the children's programming: *"I like all the news and science programs as well." "I like having the music channels." "I like the programs which are offered, especially the movies." "I like the sports." "Kids like the cartoon channels."*

- Other respondents appreciate not any one specific channel, but rather the overall variety. *"I like the variety of channels." "I love the variety of the programming." "The variety of programming available versus normal television." The abundance of channels."*

2. Ease and Functionality of Usage

About 15% of respondents cite ease and functionality of usage when asked about their favorite aspect of Cox cable television. As one respondents stated, *"It is easy to use – selection of channels."*

- Many respondents say the guide channel is their favorite aspect of Cox cable television. *"The guide is fantastic, also reliable." "I like the programming guide where I can read about each show." "Don't ever take away the little guide. That's basically what I like most so I don't have to search."*

3. Technical Quality

Respondents also appreciate the technical quality of Cox. In fact, 12% give an answer related to technical quality when asked what they most like about Cox. These responses range from clarity, reception and sound quality to signal dependability.

- Several responses pertain to either picture or sound quality. *"The clarity of the picture – it's clear." "Consistently a good picture." "Quality of the signal, sound and picture." "I like the picture quality and the sound. Also the all around service."*

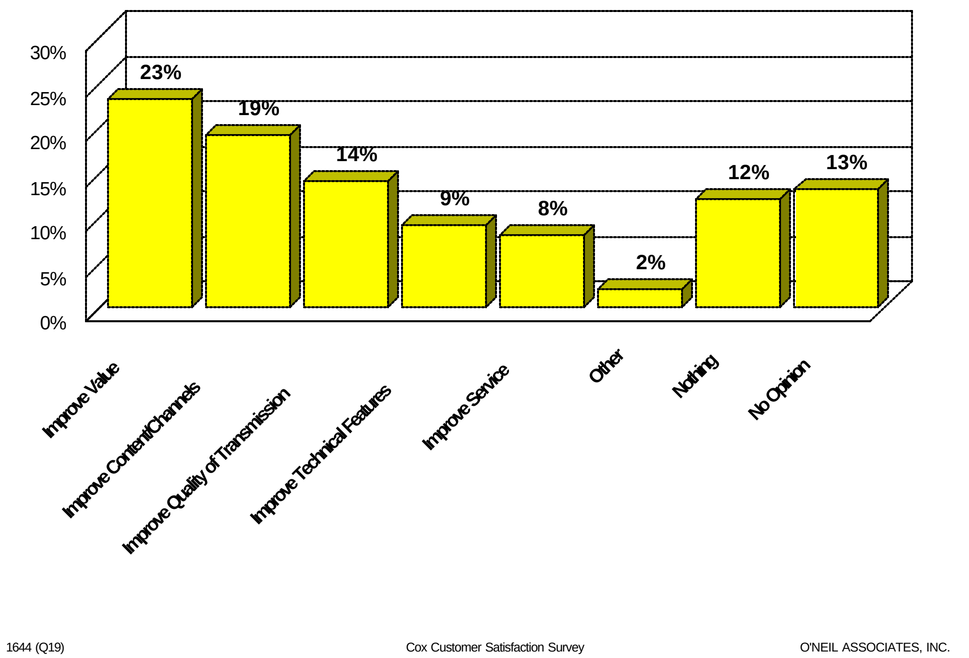
- Examples of respondents citing reliability include, *"You turn it on and it's there." "It is very reliable. [There are] not a lot of outages." "It works. I am not a great TV watcher, but when I want to watch I want to be sure it works, and it does." "I guess the reliability. When I turn on my TV I've got something there."*

4. Service

About 8% of all respondents give an answer relating to service when asked about their favorite aspect. Some examples include, *"Their service is great!" "They work around your schedule if they come out for service, and they also make sure all questions are answered or if you have any other questions about the service." "…I can call them day or night and they can fix it."*

B. ONE THING TO IMPROVE

WHAT IS THE ONE THING COX COULD DO THAT WOULD HELP TO MOST IMPROVE THE CABLE TELEVISION SERVICES YOU ARE RECEIVEING?



Respondents were asked, in an open-ended fashion, what improvement could be made. The chart above presents the distribution of their responses into thematic categories. Nearly one-fourth (23%) would like more value, about one-fifth (19%) would like the content improved, and 14% feel the transmission quality could be improved upon.

The table on the following page shows the full range of codes that were assigned to the verbatim responses. The structure of this table is the same as for Q18, such that each group of ten codes belongs in the same main, composite category.

Q19: What is the ONE thing Cox could do that would help the most to improve the cable television services you receive?

Percent	Code	Descriptive
19%		**MORE/BETTER CONTENT/CHANNELS**
1	11	More variety
2	12	More channels
3	13	Movies
1	14	Fewer/better commercials
2	15	Customized channel line-up
3	16	Better selection / quality programming
1	17	Sports requests
6	19	Other specific channel/content requests
9%		**MORE/BETTER/EASIER TECHNICAL FEATURES**
1	21	Make it easier to use
1	22	Just one remote
2	23	Eliminate the box
1	24	Make recording easier / ability to record while watching
1	25	Make pay-per-view easier
4	29	Other specific technical features
14%		**BETTER QUALITY OF TRANSMISSION**
4	31	Stable signal
2	32	Quicker/more responsive signal
4	33	Better picture
2	34	Sound quality and volume
1	35	Improve quality of box
1	39	Other specific transmission-related issues
8%		**BETTER SERVICE**
3	41	Better/faster customer service (phone service)
1	42	Billing issues
1	43	Better service from technicians
1	44	Expand services to certain geographic areas
2	49	Other specific service requests
23%		**BETTER VALUE**
17	51	Lower rates
5	52	Better match between rates and value
*	53	Lower rates to add on Internet
1	59	Other specific cost-related requests
2%		**OTHER**
12%		**NOTHING**
3	81	No complaints
13%		**NO OPINION**
11	91	Don't know
1	92	No answer

* Figure less than 0.5%

1. Value

Responses relating to value (23%) include the following: *"I can't think of anything other than to lower the cost." "Make basic cable price below $30.00." "Reduce the prices so that more people can afford cable television." "I would like the rates to be lower. People who are loyal customers should get some type of bonus rate."*

- Other value-related responses focus on specific aspects of Cox, for instance, a better match between rates and value. In the words of one respondent, *"It seems like 75% of the channels aren't interesting to me, and the ones which are would require a different package, costing more money. I would like a wider selection of channels at no additional cost."*

- Some value-related responses are too esoteric to warrant a sub-category of their own, but nonetheless are cost-related; for instance, *"Throw in a free premier channel once in a while."*

2. Content

Respondents who would like to see content improved (19%) give widely disparate answers.

- Some content-related responses focus on the variety available. One respondent wanting more variety offered the following comment: *"Eliminate the repetitions of programs on the various channels. Some programs are repeated on several different channels."*

- Other respondents focus specifically on the movies available. *"Take off some of the old movies which have been shown so many times and put on some newer movies that have not been shown."*

- Some respondents envision a cable plan that would give them control over the programming to which they subscribe: *"A selection of channels you could select, more choice over the channels you purchase."*

3. Transmission

Other respondents (14%) focus on transmission improvements. Illustrative responses include, *"Improve the quality of the signal." "Correct the constant interruptions or picture freezes." "They need better fiberoptics…too many glitches." "One thing that annoys me is that it is slow when I get channels." "We could have clearer connections as to the picture quality. It's not good."*

4. Improved Technical Features

About 9% of responses highlight a desire for improvements to technical features. Respondents in this category offer the following observations. *"Put a box in the house that you don't have to play with." "Uncomplicate the equipment. The VCR PLUS which comes with the digital package does not work."*

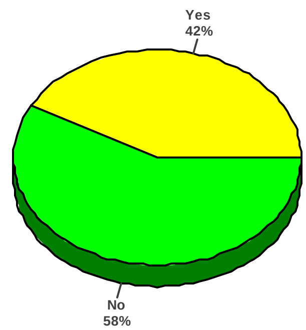
- Several respondents feel their cable service could be improved by having just one remote. *"Just one remote!"*
- Others would like to see the cable box gone altogether. *"Get rid of the stupid digital box. I hate that." "Get rid of the digital box. It is a terrible encumbrance and inconvenience. I would just as soon be without digital."*
- A handful of respondents would like recording to be easier, especially while they are watching TV. *"Make it so you can schedule ahead of time to record a weekly show. For example, the ability to schedule the recording of 'Friends' weekly program in advance, perpetually, rather than have to set it up each week." "I would like the ability to record a show and watch another at the same time."*

5. Better Service

Eight percent (8%) of respondents cited better service. The largest concentration of these specified better or faster customer service over the phone.

VI. LIKELIHOOD OF CONTINUING SERVICE

HAVE YOU EVER CONSIDERED CANCELING YOUR CABLE TELEVISION SERVICE WITH COX?



1644 (Q24) Cox Customer Satisfaction Survey O'NEIL ASSOCIATES, INC.

Despite the high levels of satisfaction observed throughout this report, approximately two-fifths (42%) of respondents have considered canceling their Cox cable television service at some time. Not surprisingly, respondents most likely to have considered canceling their Cox cable service are found among the same groups who express lower levels of satisfaction with the assorted other issues measured.

◊ ***Those earning over $60,000 a year are more likely to have considered canceling their Cox subscription than are those earning less.*** Over half (51%) of those earning $60,000 or more have considered canceling, compared to one-third (33%) of those earning less than $60,000 a year.

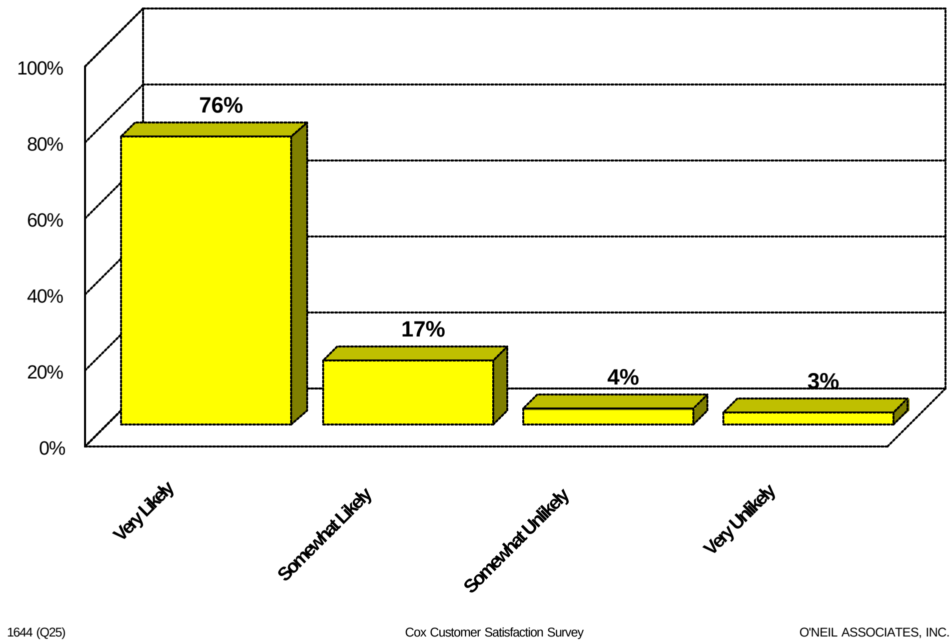
◊ ***Respondents with a post-graduate degree are more likely than those with less formal education to have considered canceling their Cox subscription:*** 56% post-grad degree, 45% college graduates, 34% some college, 36% high school or less.

◊ ***Married respondents are more likely to have considered canceling their Cox subscription than are unmarried respondents.*** Almost half (47%) of married respondents have considered canceling their Cox cable services, while only about one-third (34%) of unmarried respondents have considered canceling.

◊ ***Homeowners are more likely to have considered canceling than are renters.*** Nearly half of all homeowners (46%) have considered canceling their Cox subscription, while slightly less than a third (31%) of renters have considered canceling.

◊ ***In addition, those who have contacted customer service in the past year are more likely to have considered cancellation.*** Just under one-third (32%) of those who have not had customer service contact have considered canceling, while almost half (45%) of those who have contacted customer service have considered cancellation.

HOW LIKELY ARE YOU TO CONTINUE YOUR CABLE SUBSCRIPTION WITH COX FOR THE NEXT SIX MONTHS?

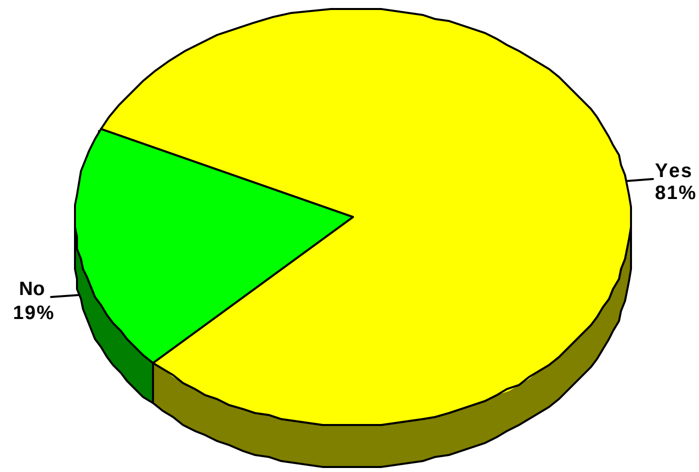


The vast majority of Tempe Cox customers (94%) are either 'very likely' or 'somewhat likely' to continue their Cox cable subscription over the next six months. Despite the somewhat concerning proportion of respondents who have considered canceling their Cox subscription at some time (42%), over three-fourths of all respondents (76%) say they are 'very likely' to continue their Cox cable subscription over the next six months.

Likelihood of continuing cable subscription with Cox does not follow the distinctive demographic pattern observed across other items. Those earning over $60,000, those holding post-graduate degrees, married respondents and homeowners consistently express lower levels of satisfaction. Despite the reduced satisfaction levels expressed, each of these groups are no more likely than are their respective counterparts to discontinue their Cox subscription.

VII. COMPUTER USAGE

DOES YOUR HOUSEHOLD CURRENTLY OWN A PERSONAL COMPUTER?



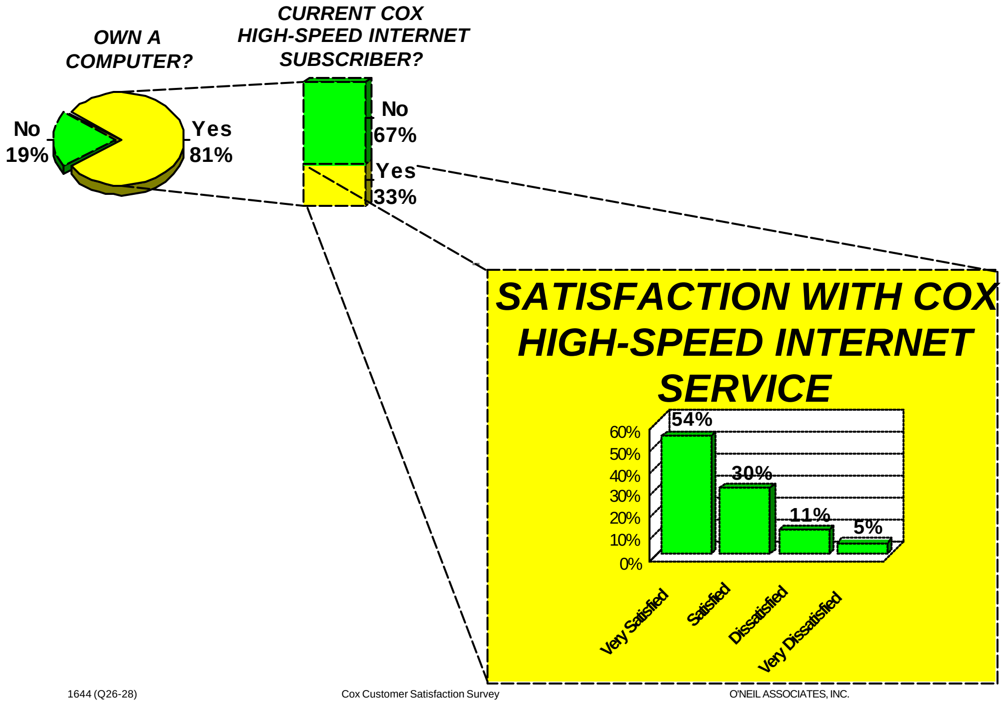
1644 (Q26) Cox Customer Satisfaction Survey O'NEIL ASSOCIATES, INC.

Most Cox customers in Tempe (81%) have a personal computer in their household. Computers are commonplace across nearly every demographic sub-group, with the exceptions of the oldest respondents, the least educated and those in the lowest income category.

◊ ***The older the respondent, the less likely they are to own a computer.*** Respondents 65 and older are the least likely age group to have a computer in their household, though a solid majority (59%) does so. Nine out of ten (90%) respondents aged 18 to 24 have a personal computer in their household.

◊ ***Respondents with a high school education or less are not as likely as the more educated to own a personal computer.*** Nonetheless, about two-thirds (66%) of respondents in this lowest education group own a computer. Larger proportions of respondents in each other education grouping have a computer in their household (85% of those with some college, 88% of college graduates, 86% of those with a post-graduate degree).

◊ ***The greater their income, the more likely a respondent is to have a computer in their household.*** While respondents earning less than $35,000 are the least likely to have a computer in the household, nearly seven out of ten do so (69%). The highest income respondents (earning over $80,000 annually) are most likely to have a computer in the household (94%).



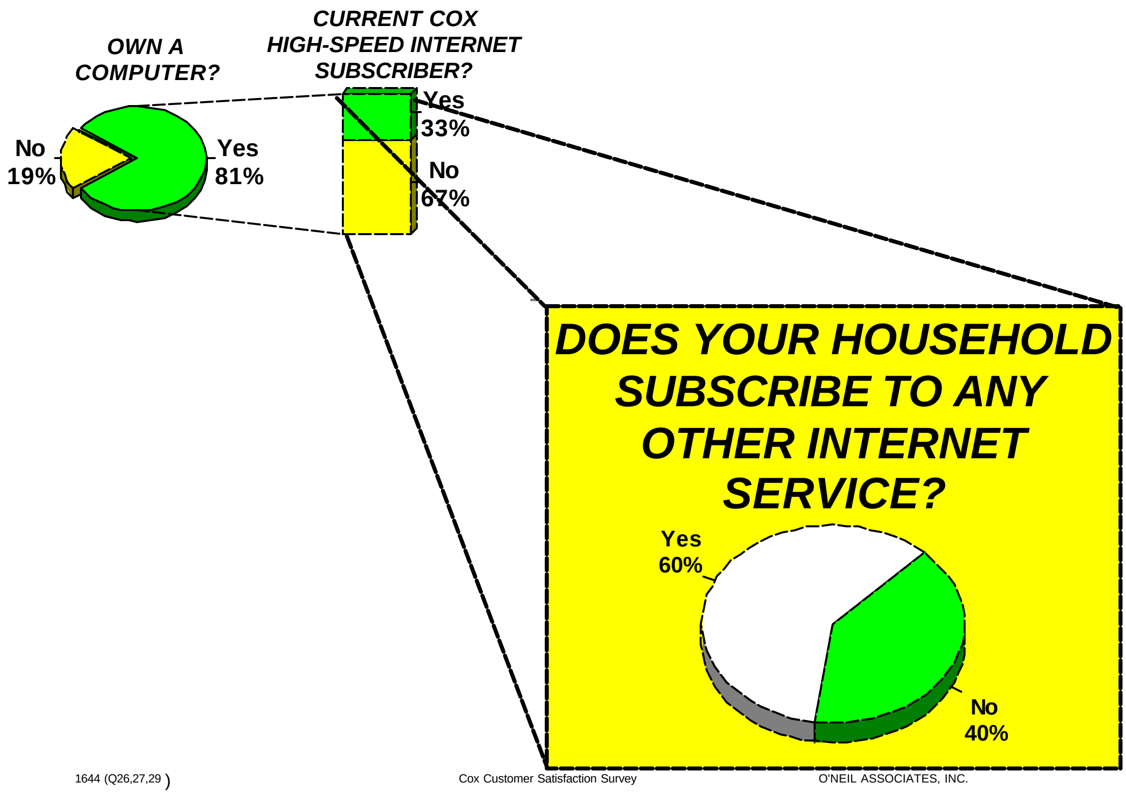
Of those with a personal computer in their household, one-third (33%) subscribe to Cox high-speed Internet service.

◊ ***Most Cox high-speed Internet customers (84%) are satisfied with the service.*** In fact, over half (54%) say they are 'very satisfied' with Cox high-speed Internet service.*

◊ ***Respondents who subscribe to Cox digital cable service are more likely than analog customers to also subscribe to Cox high-speed Internet.*** In fact, a 40% of digital cable customers are also high-speed Internet customers, compared to only one-fourth (25%) of all analog customers.

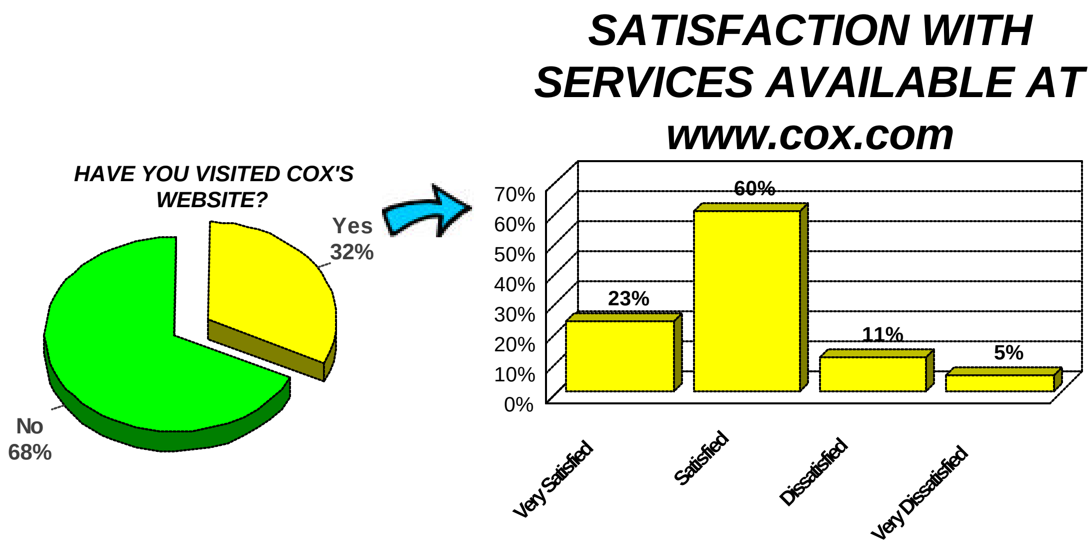
- ***On this item, those who believe that their analog cable service is digital do not follow the pattern we have observed of resembling digital customers; instead, they resemble traditional analog customers.*** While four-in-ten (40%) Digital Gateway customers have Cox high-speed internet, just 23% of Cox analog cable customers who are aware their service is analog subscribe to high-speed internet from Cox, as do a similar proportion of analog cable customers who believe their service is digital (25%).

* The sample of Cox high-speed Internet subscribers (n=157) is too small to permit making statistically significant observations within the various demographic sub-groups.



Fully 60% of respondents with a computer subscribe to an Internet service other than Cox. Due to some overlap, where respondents subscribe to both Cox high-speed and an additional Internet provider, 87% of respondents with a computer are on-line. Those who gain Internet access through a provider other than Cox are found in roughly equal proportions across all demographic groups. The only exception of note is gender: women (65%) are more likely than men (55%) to subscribe to an Internet service other than Cox.

VIII. MISCELLANEOUS ISSUES

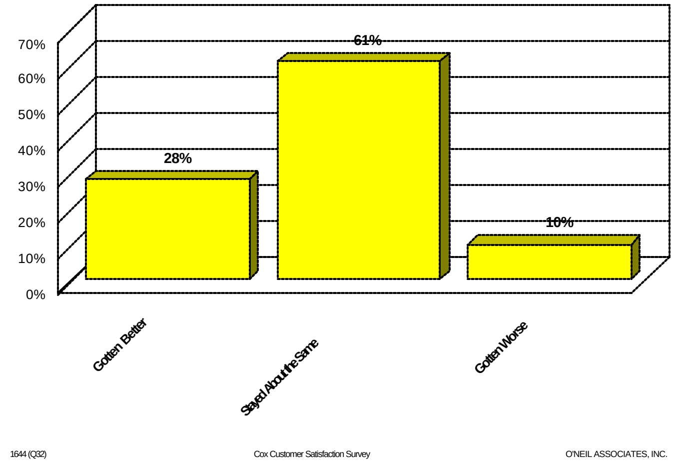


1644 (Q30-31) Cox Customer Satisfaction Survey O'NEIL ASSOCIATES, INC.

About one-third (32%) of all respondents have visited the Cox website, www.cox.com. The majority (83%) of cox.com visitors are at least 'satisfied' with the cable television information or services that the website provides. Slightly less than one-quarter of cox.com visitors (23%) are 'very satisfied' with the available information.

◊ Digital customers (38%) are more likely than either classic analog customers (27%) or analog customers who believe they receive digital services (28%) to have visited cox.com.

HOW HAS YOUR OPINION OF COX AS A COMPANY CHANGED OVER THE PAST YEAR?



Over one-fourth of all respondents (28%) say their opinion of Cox as a company has improved over the past year. Meanwhile, a solid majority (61%) of all respondents say their opinion of the company has stayed about the same.

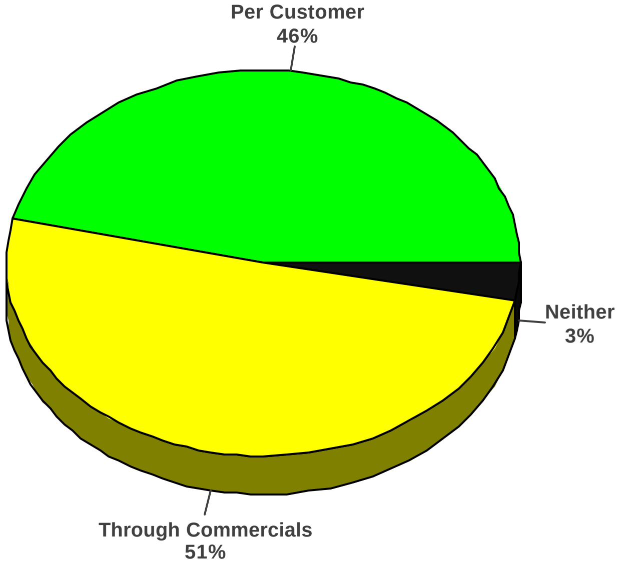
◊ ***Those earning over $60,000 annually are more likely than are respondents earning below $60,000 to believe Cox has gotten worse as a company over the past year.*** Just 6% of respondents earning less than $60,000 think Cox has gotten worse over the past year; while the number of respondents earning over $60,000 who feel the company has gotten worse is more than double that proportion (14%).

◊ ***Those who have had recent customer service contact are not middle-of-the-road with their opinions of Cox as a company.*** While nearly three-quarters (71%) of respondents who have not contacted customer service say their opinion of Cox remains 'about the same' as it was a year ago, for those with recent customer service experience this figure drops to 58%. Nearly a third (30%) of those who have contacted customer service say their opinion of Cox has gotten better (compared to 24% without customer service), and the remaining 12% say it has gotten worse (compared to just 5% without customer service).

◊ ***Homeowners are twice as likely as renters to say their opinions of Cox have gotten worse over the past year.*** Only 6% of renters say their opinion has gotten worse; this figure doubles for homeowners (12%).

◊ ***Digital customers, and analog customers who believe they are digital subscribers, are more likely than classic analog customers to say their opinion of Cox as a company has gotten better over the past year.*** About one-fifth (19%) of classic analog customers say their opinion has gotten better, this figure rises to 30% among analog customers who assume their service is digital, which is similar to digital customers (29%).

PERCEPTION OF PAYMENT TO CABLE TELEVISION NETWORKS



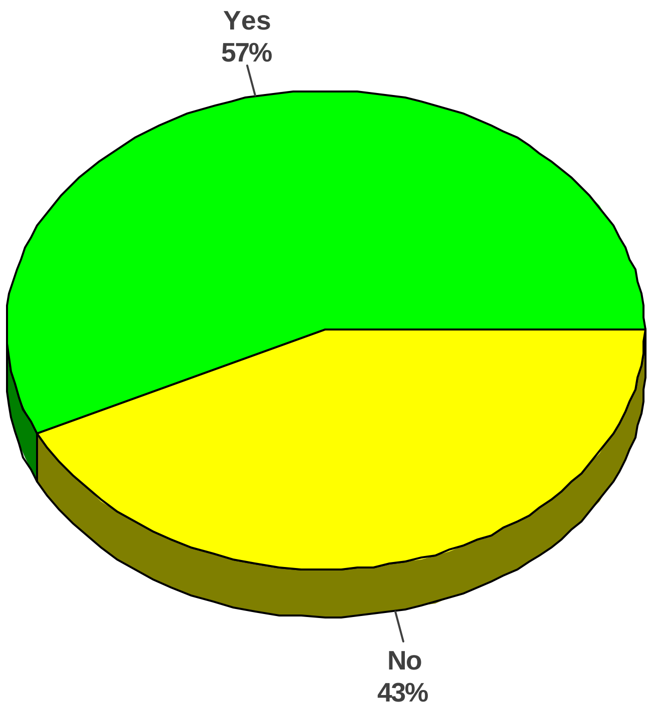
Respondents are split in their beliefs of who pays for cable TV networks. The proportion of Tempe Cox customers who believe that cable TV companies pay cable TV networks for each customer receiving programming (46%) does not differ greatly from the proportion believing that cable TV networks make their money via commercials (51%). Over one-quarter (27%) of respondents do not know how cable TV networks are paid for; this portion of the sample has been excluded from this analysis.

The majority of Tempe Cox customers are not aware that cable TV networks are paid by the cable companies for the programming provided to cable customers. Fifty-one percent (51%) of those surveyed mistakenly believe that the cable TV networks are compensated through advertising revenues.

◊ Respondents earning over $60,000 (56%) are more likely than are those earning below $60,000 (42%) to believe cable companies pay the networks for each customer receiving programming.

◊ ***Higher educated customers are more likely than are lesser-educated customers to believe that cable companies pay networks.*** Over half (51%) of respondents with a college degree and a slightly greater proportion of those with a post-graduate degree (57%) believe cable companies pay networks for each customer receiving programming. In contrast, only 43% of respondents with a maximum of a high school education and just 37% of those with some college believe networks make money through cable companies.

AWARENESS OF COX UPGRADED CABLE NETWORK IN TEMPE



1644 (Q35) Cox Customer Satisfaction Survey O'NEIL ASSOCIATES, INC.

A slim majority (57%) is aware of Cox's upgraded Tempe cable network. Younger respondents are less likely than are older respondents to be aware of the upgrade. Slightly less than half (45%) of all respondents between the ages of 18 and 24 and a similar proportion (47%) of those aged 25 to 34 are aware of the Cox cable network upgrade. Greater proportions of respondents between the ages of 35 and 49 (57%), 50 and 64 (64%) and 65 or older (61%) are aware of the Cox cable upgrade. One possible explanation is that older respondents have had more time to become a long-term Cox customer, and long-term customers are more likely to notice substantial changes such as the recent Tempe upgrade of services.